

2013 Benton County Property Tax Report with Comparison to 2012

Legislative Services Agency

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This report describes property tax changes in Benton County between 2012 and 2013.

Property tax changes in 2013 were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. However, three statewide trends affected a large number of counties.

- First, pay-2013 was a statewide reassessment year. In past reassessments there were double-digit percentage increases in assessed values, but this time assessments were almost unchanged statewide. The difference was trending, which has been adjusting assessments annually since 2007. Few counties experienced large assessment increases in 2013. Many experienced assessment decreases.
- Second, farmland assessments continued to rise, with the base rate of an acre increasing 8.7% from \$1,500 to \$1,630. High commodity prices and low interest rates were the reason. Rising farmland assessments were especially important in rural counties, where farmland is a larger part of total assessed value.
- Third, many local income tax credit rates increased substantially. This was due to a corrected distribution of local income tax revenues to local governments. Extra income tax revenue was applied to tax credits in 2013. This may mean that credit rates will fall (and tax bills will rise) in 2014.

Still, local factors were most influential in individual counties in 2013. Here is what affected taxes in Benton County.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2013	-10.7%	\$10,976,135	\$833,712,736	1.0%
Change		-4.8%	9.9%	
2012	-2.5%	\$11,527,798	\$758,548,741	2.0%

Comparable Homestead Property Tax Changes in Benton County

The total tax bill for all taxpayers in Benton County decreased by 10.7% in 2013. The reasons were a 4.8% decrease in the levy and a large increase in local income tax-funded property tax credit rates. In this reassessment year, certified net assessed value rose by 9.9%. Falling tax bills meant that fewer taxpayers qualified for tax cap credits, so credits as a percent of the tax levy decreased to 1.0% in 2013 from 2.0% in 2012.

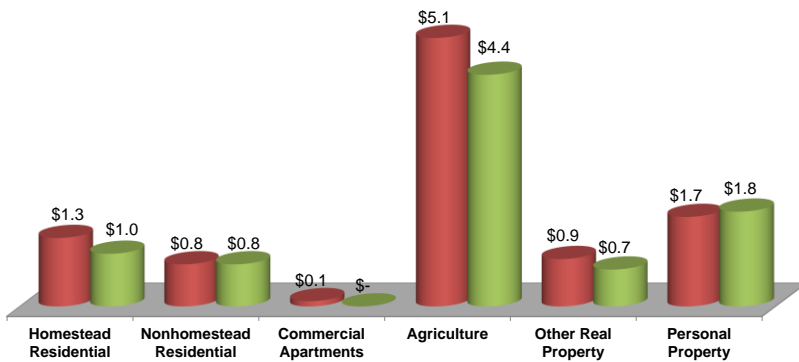
Benton County homeowners experienced a large 21.9% decrease in property tax bills in 2013. This was due to a large increase in local property tax credits and a large decrease in property tax rates. Homesteads also experienced a decline in net assessed value. Statewide, the average homeowner's tax bill was almost unchanged.

	2012 to 2013	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	477	19.1%
No Change	115	4.6%
Lower Tax Bill	1,900	76.2%
Average Change in Tax Bill	-21.9%	
Detailed Change in Tax Bill		
20% or More	192	7.7%
10% to 19%	68	2.7%
1% to 9%	217	8.7%
-1% to 1%	115	4.6%
-1% to -9%	323	13.0%
-10% to -19%	440	17.7%
-20% or More	1,137	45.6%
Total	2,492	100.0%

Note: Percentages may not total due to rounding.

Comparison of Net Property Tax by Property Type (In Millions)

■ 2012 - Total \$9.9 ■ 2013 - Total \$8.7



In Benton County most net property taxes were paid by agriculture and business (other real and personal) property owners in 2013. Total net property taxes decreased 10.7%, compared to an average 2.1% increase statewide. Nonhomestead residential property saw the biggest increase, while homestead net taxes decreased by the largest percentage.

Property tax rates decreased in all 17 Benton County tax districts in 2013. The average tax rate fell by 13.4%, because of a levy decrease and a large increase in net assessed value. Statewide, the average tax rate increased by 4.2%.

The total levies of all government units in Benton County decreased by 4.8%, compared to a 3.7% statewide levy increase. Detailed levy changes for local governments in Benton County are included in a later table.

Property Type	Gross AV Pay 2012	Gross AV Pay 2013	Gross AV Change	Net AV Pay 2012	Net AV Pay 2013	Net AV Change
Homesteads	\$228,991,350	\$221,595,799	-3.2%	\$80,751,573	\$75,601,654	-6.4%
Other Residential	45,753,600	52,424,300	14.6%	45,412,422	51,849,128	14.2%
Ag Business/Land	450,089,900	485,120,101	7.8%	449,289,112	484,489,221	7.8%
Business Real/Personal	642,341,994	604,166,990	-5.9%	189,200,478	229,642,310	21.4%
Total	\$1,367,176,844	\$1,363,307,190	-0.3%	\$764,653,585	\$841,582,313	10.1%

Net AV equals gross AV less deductions and exemptions. Certified net AV is set with the budget, certified by the county auditor and used to calculate tax rates. It may be adjusted by the auditor to account for appeals. Net AV in the above table is summed from tax bills. It includes TIF allocations while Certified net AV does not. Gross AV also is summed from tax bills. Circuit breaker tax caps are calculated on gross AV.

Benton County's total billed net assessed value increased substantially, by 10.1% in 2013. Increases in agricultural and business assessments were the main reasons. Net assessed value for all of Indiana was nearly unchanged, rising by only 0.1%.

Tax Cap Category	2012	2013	Difference	% Change
1%	\$35,659	\$6,209	-\$29,450	-82.6%
2%	190,185	103,429	-86,756	-45.6%
3%	0	0	0	0.0%
Elderly	1,915	1,976	61	3.2%
Total	\$227,759	\$111,614	-\$116,145	-51.0%
% of Levy	2.0%	1.0%		

Total tax cap credits in Benton County were \$111,614, which was 1.0% of the levy. This was less than the state average of 10.9%, and less than the median or typical county percentage of 4.2%. Tax rates were the main determinant of tax cap credits. Benton County's average tax rate was much less than the median rate

statewide. Most of the tax cap credits in Benton County were in the 2% nonhomestead residential category. A later table shows tax cap credits by category for each local government unit.

Tax cap credits in Benton County decreased \$116,145 between 2012 and 2013. Credits as a share of the total levy fell from 2.0% in 2012 to 1.0% in 2013.

Benton County Levy Comparison by Taxing Unit

Taxing Unit	2009	2010	2011	2012	2013	% Change			
						2009 - 2010	2010 - 2011	2011 - 2012	2012 - 2013
County Total	10,738,546	10,967,751	10,920,846	11,527,798	10,976,135	2.1%	-0.4%	5.6%	-4.8%
Benton County	2,677,789	2,805,468	2,890,005	3,000,818	3,040,551	4.8%	3.0%	3.8%	1.3%
Bolivar Township	25,757	26,606	26,844	27,842	28,149	3.3%	0.9%	3.7%	1.1%
Center Township	55,658	57,872	60,331	62,930	65,310	4.0%	4.2%	4.3%	3.8%
Gilboa Township	12,792	12,584	14,451	10,657	10,541	-1.6%	14.8%	-26.3%	-1.1%
Grant Township	18,751	19,452	19,718	20,426	20,157	3.7%	1.4%	3.6%	-1.3%
Hickory Grove Township	51,183	53,793	55,391	51,558	56,328	5.1%	3.0%	-6.9%	9.3%
Oak Grove Township	32,050	33,116	33,427	34,570	34,229	3.3%	0.9%	3.4%	-1.0%
Parish Grove Township	17,554	18,317	18,566	19,222	19,395	4.3%	1.4%	3.5%	0.9%
Pine Township	16,911	17,512	17,738	18,494	18,295	3.6%	1.3%	4.3%	-1.1%
Richland Township	28,175	29,216	29,445	30,758	31,136	3.7%	0.8%	4.5%	1.2%
Union Township	11,383	11,782	11,929	12,335	12,157	3.5%	1.2%	3.4%	-1.4%
York Township	13,433	14,071	14,459	15,146	14,984	4.7%	2.8%	4.8%	-1.1%
Ambia Civil Town	23,480	24,718	24,773	26,275	26,579	5.3%	0.2%	6.1%	1.2%
Boswell Civil Town	199,417	210,249	215,330	223,615	225,979	5.4%	2.4%	3.8%	1.1%
Earl Park Civil Town	54,304	57,188	57,548	60,819	61,520	5.3%	0.6%	5.7%	1.2%
Fowler Civil Town	846,400	888,532	909,146	941,502	953,848	5.0%	2.3%	3.6%	1.3%
Otterbein Civil Town	142,983	150,700	156,796	164,502	163,426	5.4%	4.0%	4.9%	-0.7%
Oxford Civil Town	251,157	258,729	267,162	272,752	275,949	3.0%	3.3%	2.1%	1.2%
Benton Community School Corp	5,134,281	4,968,777	4,662,660	5,044,166	4,394,810	-3.2%	-6.2%	8.2%	-12.9%
South Newton School Corp	230,449	364,357	501,519	516,054	523,485	58.1%	37.6%	2.9%	1.4%
Tri County School Corp	350,451	366,065	343,921	395,896	396,091	4.5%	-6.0%	15.1%	0.0%
Boswell Public Library	111,649	117,408	117,580	107,580	106,244	5.2%	0.1%	-8.5%	-1.2%
Earl Park Public Library	26,840	28,271	28,739	30,038	30,424	5.3%	1.7%	4.5%	1.3%
Otterbein Public Library	124,844	137,043	141,110	127,223	150,311	9.8%	3.0%	-9.8%	18.1%
Oxford Public Library	98,711	103,819	106,334	110,194	111,467	5.2%	2.4%	3.6%	1.2%
Benton County Public Library	172,400	181,838	186,555	193,453	195,919	5.5%	2.6%	3.7%	1.3%
York Township Public Library	9,744	10,268	9,369	8,973	8,851	5.4%	-8.8%	-4.2%	-1.4%
Northwest Indiana Solid Waste Mgmt Dist	0	0	0	0	0				

Benton County 2013 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT	CEDIT	CEDIT	LOIT	LOIT	
				Homestead	Homestead	Residential	Homestead	Residential	
04001	Bolivar Township	1.2139	18.2167%	--	11.5519%	--	--	--	0.8525
04002	Otterbein (Bolivar)	2.2373	18.2167%	--	2.6860%	--	--	--	1.7696
04003	Center Township	1.0668	18.2167%	--	30.0128%	--	--	--	0.5523
04004	Fowler (Center)	3.0559	18.2167%	--	2.4703%	--	--	--	2.4237
04005	Gilboa Township	1.1424	18.2167%	--	22.0402%	--	--	--	0.6825
04006	Grant Township	1.1536	18.2167%	--	23.1440%	--	--	--	0.6765
04007	Boswell (Grant)	2.9612	18.2167%	--	3.3134%	--	--	--	2.3237
04008	Hickory Grove Township	1.1156	18.2167%	--	16.2588%	--	--	--	0.7310
04009	Ambia (Hickory Grove)	2.0901	18.2167%	--	0.8856%	--	--	--	1.6908
04010	Oak Grove Township	1.1634	18.2167%	--	22.5253%	--	--	--	0.6894
04011	Oxford (Oak Grove)	2.5695	18.2167%	--	2.8845%	--	--	--	2.0273
04012	Parish Grove Township	1.0451	18.2167%	--	24.6007%	--	--	--	0.5976
04013	Pine Township	1.0554	18.2167%	--	13.4677%	--	--	--	0.7210
04014	Richland Township	1.0900	18.2167%	--	15.6859%	--	--	--	0.7205
04015	Earl Park (Richland)	2.0446	18.2167%	--	2.2542%	--	--	--	1.6261
04016	Union Township	1.0400	18.2167%	--	24.1542%	--	--	--	0.5993
04017	York Township	1.2304	18.2167%	--	27.1961%	--	--	--	0.6716

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Benton County 2013 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	6,209	103,172	0	1,976	111,357	10,976,135	1.0%
<i>TIF Total</i>	0	257	0	0	257	1,802	14.2%
<i>County Total</i>	6,209	103,429	0	1,976	111,614	10,977,937	1.0%
Benton County	743	12,534	0	319	13,595	3,040,551	0.4%
Bolivar Township	0	0	0	2	2	28,149	0.0%
Center Township	26	321	0	5	352	65,310	0.5%
Gilboa Township	0	0	0	0	0	10,541	0.0%
Grant Township	0	63	0	1	64	20,157	0.3%
Hickory Grove Township	0	0	0	18	18	56,328	0.0%
Oak Grove Township	0	44	0	3	48	34,229	0.1%
Parish Grove Township	0	0	0	0	0	19,395	0.0%
Pine Township	0	0	0	0	0	18,295	0.0%
Richland Township	0	0	0	2	2	31,136	0.0%
Union Township	0	0	0	0	0	12,157	0.0%
York Township	0	0	0	0	0	14,984	0.0%
Ambia Civil Town	0	0	0	0	0	26,579	0.0%
Boswell Civil Town	0	12,881	0	170	13,051	225,979	5.8%
Earl Park Civil Town	1	0	0	21	23	61,520	0.0%
Fowler Civil Town	4,069	50,355	0	488	54,912	953,848	5.8%
Otterbein Civil Town	0	0	0	73	73	163,426	0.0%
Oxford Civil Town	33	3,500	0	260	3,794	275,949	1.4%
Benton Community School Corp	1,251	21,115	0	537	22,904	4,394,810	0.5%
South Newton School Corp	0	0	0	0	0	523,485	0.0%
Tri County School Corp	0	0	0	0	0	396,091	0.0%
Boswell Public Library	0	1,011	0	13	1,024	106,244	1.0%
Earl Park Public Library	0	0	0	2	2	30,424	0.0%
Otterbein Public Library	0	0	0	17	17	150,311	0.0%
Oxford Public Library	3	330	0	25	358	111,467	0.3%
Benton County Public Library	82	1,018	0	19	1,119	195,919	0.6%
York Township Public Library	0	0	0	0	0	8,851	0.0%
Northwest Indiana Solid Waste Mgmt Dist	0	0	0	0	0	0	
TIF - Boswell (Grant)	0	257	0	0	257	1,802	14.2%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.